B.C.D. 02-40

JUN 04 2002

EMPLOYER STATUS DETERMINATION
GALVESTON RAILWAY, INC.

This is the determination of the Railroad Retirement Board concerning the continuing status of the Galveston Railway, Inc. (GRI) (B.A. No. 2596) as a covered employer under the Railroad Retirement Act (45 U.S.C. § 231, et seq.) (RRA) and the Railroad Unemployment Insurance Act (45 U.S.C. § 351, et seq.) (RUIA). The GRI was ruled to be an employer under the RRA and RUIA effective November 5, 1987.

GRI transferred all of its assets to Galveston Railroad, L.P. (GRLP) on May 31, 1991. GRLP (B.A. No. 3883) was ruled to be an employer under the RRA and RUIA effective June 1, 1991. GRI then became a holding company with no railroad assets and no railroad employees. Interstate Commerce Commission authority for this transaction was set forth in ICC Finance Docket No. 31869 (Sub-No.1), decided June 28, 1991. According to Mr. David Scott Helms, Treasurer of GRI, GRI has not had any employees and has not operated as a railroad since May 31, 1991. Mr. Helms stated further that GRI will not operate as a railroad in the future.

Based on the above information, it is the determination of the Railroad Retirement Board that the Galveston Railway, Inc., ceased to be an employer under the RRA and RUIA on May 31, 1991, the date on which it transferred all of its assets to GRLP.

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